

TAB

SECRETATTACHMENT 1

25X1

COST COMPARISON

25X1

1. A cost comparison for each area division is appended. For clarity, the comparison for the FE Division has detailed references to the source of fundamentals and derivation of values for each item. Comparisons in all other divisions are similarly computed.
2. Results are summarized:

<u>Area Division</u>		<u>Increased Cost to Provide Agency-owned Furnishings</u>
a.	FE	24.9
b.	EE	34.9
c.	WH	114.2
d.	WE	70.3
e.	NE	8.2
f.	AP	56.0
		308.5

Average percent for Agency (308.5 divided by 6) = 51.4

3. The average greater cost to the Agency indicated for provision of Agency-owned furnishings is conservative for these reasons:
 - a. The cost of transportation for Agency-owned furniture and cost of its storage overseas are available only at each field component. If these costs were included in the comparisons, the cost differential would be substantially greater.

b.

25X1

25X1

SECRET

GROUP 1
Excluded from automatic
downgrading and
declassification

SECRET**FAR EAST DIVISION**

	<u>Provide Agency- Owned Furnishings</u>	<u>Ship Employee's Furnishings</u>
COST OF FURNISHINGS	\$1,600.00	0
Furnishings allowance \$4,000		
Life of furnishings is 5 years		
Cost per year is 1/5 of \$4,000 =		
\$800 x 2 year tour = \$1,600		
SHIP 1,934 POUNDS OF EMPLOYER'S EFFORTS BAKED TRIP	1,700.00	0
1,934 pounds from line 3, para- graph 4, Tab D. flat	25X1C	
fee (paragraph 1, Tab G) one way for civilian = \$850 x 2 for round trip = \$1,700		
OVERHEAD COST	300.00	0
From paragraph 11, Tab F, 10 per- cent per year of \$4,000 furnish- ings allowance is \$400 x 2 year tour = \$800		
COST OF MAINTENANCE AND SERVICE	1,200.00	0
From paragraph 12, Tab F, 15 per- cent per year of \$4,000 furnish- ings allowance is \$600 x 2 year tour = \$1,200		
STORAGE COSTS FOR 3,290 POUNDS OF EMPLOYER'S EFFORTS	497.00	0
From line 3, paragraph 5, Tab D-- 3,290 pounds. From paragraph 2, Tab H--\$4.00 per cwt for pickup and preparation = \$131.60		
\$4.40 per cwt per month for storage is \$13.16 x 24 months= 315.84		
\$1.50 per cwt delivery out 49.35		
	496.79	
STORAGE COST OF AGENCY FURNISHINGS	0	0
Not available at Headquarters.		
COST OF TRANSPORTATION OF AGENCY FURNISHINGS	0	0
Not available at Headquarters.		

SECRET

SECRET

	<u>Provide Agency- Owned Furnishings</u>	<u>Ship Employee's Furnishings</u>
TEMPORARY LODGING Paragraph 4, Tab A, average of 12 days at \$20.39 = \$244.68	\$ 245.00*	\$ 245.00*
COST TO SHIP 5,224 POUNDS OF EMPLOYEE'S FURNISHINGS From paragraph 4, Tab D, 1,934 pounds shipped plus 3,290 pounds stored from paragraph 5, Tab D = 5,224 pounds. Using same rate as for shipping 1,934 pounds of employee's effects (above) \$1,700 divided by 1,934 pounds = \$0.879. 5,224 pounds x \$0.879 = \$4,592.89	0	4,592.00
	\$6,042.00	\$4,837.00

Difference: \$1,205.00

Cost to provide Agency-owned furnishings is 24.9 percent greater.

*Figure for 1963 not available--1962 figure used.

EASTERN EUROPE DIVISION

	<u>Provide Agency- Owned Furnishings</u>	<u>Ship Employee's Furnishings</u>
COST OF FURNISHINGS	\$1,600.00	0
SHIP 2,393 POUNDS OF EMPLOYEE'S EFFECTS ROUND TRIP	2,000.00	0
OVERHEAD COST	800.00	0
COST OF MAINTENANCE AND SERVICE	1,200.00	0
COSTS FOR STORAGE OF 2,921 POUNDS OF EMPLOYEE'S EFFECTS	441.00	0
STORAGE COSTS OF AGENCY FURNISHINGS	7	0
COST OF TRANSPORTATION OF AGENCY FURNISHINGS	7	0
TEMPORARY LODGING	148.00	\$ 148.00
COST TO SHIP 5,314 POUNDS OF EMPLOYEE'S FURNISHINGS	0	4,441.00
	\$6,189.00	\$4,589.00

SECRET

SECRET

Difference: \$1,600.00

Cost to provide Agency-owned furnishings is 34.9 percent greater.

WESTERN HEMISPHERE DIVISION

	<u>Provide Agency- Owned Furnishings</u>	<u>Ship Employee's Furnishings</u>
COST OF FURNISHINGS	\$1,600.00	0
SHIP 4,535 POUNDS OF EMPLOYEE'S EFFECTS ROUND TRIP	1,700.00	0
OVERHEAD COST	500.00	0
COST OF MAINTENANCE AND SERVICE	1,200.00	0
STORAGE COSTS FOR 1910 POUNDS OF EMPLOYEE'S EFFECTS	288.00	0
STORAGE COST OF AGENCY FURNISHINGS	?	0
COST OF TRANSPORTATION OF AGENCY FURNISHINGS	?	0
TEMPORARY LOADING	364.00	\$ 364.00
COST TO SHIP 6,448 POUNDS OF EMPLOYEE'S FURNISHINGS	0	2,415.00
	<hr/> \$5,952.00	<hr/> \$2,779.00

Difference: \$3,173.00

Cost to provide Agency-owned furnishings is 114.2 percent greater.

WESTERN EUROPE DIVISION

	<u>Provide Agency- Owned Furnishings</u>	<u>Ship Employee's Furnishings</u>
COST OF FURNISHINGS	\$1,600.00	0
SHIP 3,040 POUNDS OF EMPLOYEE'S EFFECTS ROUND TRIP	2,000.00	0
OVERHEAD COSTS	500.00	0
COST OF MAINTENANCE AND SERVICE	1,200.00	0
STORAGE COSTS FOR 2,158 POUNDS OF EMPLOYEE'S EFFECTS	326.00	0

SECRET

4

SECRET

	<u>Provide Agency- Owned Furnishings</u>	<u>Ship Employee's Furnishings</u>
STORAGE COST OF AGENCY FURNISHINGS	0	0
COST OF TRANSPORTATION OF AGENCY FURNISHINGS	0	0
TEMPORARY LODGING	\$ 148.00	\$ 148.00
COST TO SHIP 5,190 POUNDS OF AN EMPLOYEE'S FURNISHINGS	0	3,419.00
	<hr/>	<hr/>
	\$6,074.00	\$3,567.00

Difference: \$2,507.00

Cost to provide Agency-owned furnishings is 70.3 percent greater.

NEAR EAST DIVISION

	<u>Provide Agency- Owned Furnishings</u>	<u>Ship Employee's Furnishings</u>
COST OF FURNISHINGS	\$1,500.00	0
SHIP 2,136 POUNDS OF EMPLOYEE'S EFFECTS ROUND TRIP	2,000.00	0
OVERHEAD COSTS	500.00	0
COST OF MAINTENANCE AND SERVICE	1,200.00	0
STORAGE COSTS FOR 3,974 POUNDS OF EMPLOYEE'S EFFECTS	600.00	0
STORAGE COST OF AGENCY FURNISHINGS	0	0
COST OF TRANSPORTATION OF AGENCY FURNISHINGS	0	0
TEMPORARY LODGING	89.00	\$ 89.00
COST TO SHIP 6,110 POUNDS OF EMPLOYEE'S FURNISHINGS	0	5,721.00
	<hr/>	<hr/>
	\$6,289.00	\$5,810.00

Difference: \$479.00

Cost to provide Agency-owned furnishings is 8.2 percent greater.

SECRET

SECRETAFRICA DIVISION

	<u>Provide Agency- Owned Furnishings</u>	<u>Ship Employee's Furnishings</u>
COST OF FURNISHINGS	\$1,600.00	0
SHIP 2,691 POUNDS OF EMPLOYEE'S EFFECTS ROUND TRIP	2,000.00	0
OVERHEAD COSTS	500.00	0
COST OF MAINTENANCE AND SERVICE	1,200.00	0
STORAGE COST FOR 2,453 POUNDS OF EMPLOYEE'S EFFECTS	370.00	0
DEPRECIATION COST OF AGENCY FURNISHINGS	?	0
COST OF TRANSPORTATION OF AGENCY FURNISHINGS	?	0
TEMPORARY LODGING	10.00*	10.00*
COST TO SHIP 5,144 POUNDS OF EMPLOYEE'S EFFECTS	0	3,823.00
	<hr/> \$5,980.00	<hr/> \$3,833.00

Difference: \$2,147.00

Cost to provide Agency-owned furnishings is 56.0 percent greater.

*Figure for 1963 not available--1962 figure used.

SECRET